

AGENDA SUMMARY PAGE**REDEVELOPMENT AGENCY MEETING OF: OCTOBER 18, 2006****DEPARTMENT: OFFICE OF BUSINESS DEVELOPMENT****DIRECTOR: SCOTT D. ADAMS****SUBJECT:**

Discussion and possible action to accept Best and Final Offer (BAFO) from CityMark Development LLC (CityMark), subject to CityMark entering into an Exclusive Negotiation Agreement (ENA) and approve terms of, as well as authorize the Chairman to execute said ENA for the site located at Las Vegas Boulevard and Clark Avenue (Site) totaling approximately 0.96 acres, APNs 139-34-310-061 to -063, -076 and -710-001 (receipt of \$50,000 deposit) – Ward 3 (Reese)

Fiscal Impact☒**No Impact**☐**Augmentation Required**☐**Budget Funds Available****Dept./Division:****Amount:****Funding Source:****PURPOSE/BACKGROUND:**

Staff was previously authorized to conduct a Request for Development Proposals (RFP) on the Site for a mixed-use project with: an urban grocery store; attainable residential units and/or class A office; and, parking for all uses in the project, as well as some public parking. A staff review committee has evaluated the proposals received and recommends that the Agency accept the BAFO, subject to CityMark entering into an ENA to resolve certain conditions.

RECOMMENDATION:

Accept Best And Final Offer from CityMark Development LLC, subject to CityMark Development LLC entering into an Exclusive Negotiation Agreement and approve terms of, as well as authorize the Chairman to execute said Exclusive Negotiation Agreement.

BACKUP DOCUMENTATION:

1. Agenda Memo
2. Request for Development Proposals - January 17, 2006
3. Summary of Development BAFO
4. BAFO Review Committee Recommendation - September 8, 2006
5. Exclusive Negotiation Agreement with CityMark Development LLC
6. Disclosure of Principals
7. Site Map

Motion made by GARY REESE to Approve

Passed For: 6; Against: 0; Abstain: 1; Did Not Vote: 0; Excused: 0

LOIS TARKANIAN, LAWRENCE WEEKLY, LARRY BROWN, GARY REESE, STEVE WOLFSON, STEVEN D. ROSS; (Against-None); (Abstain-OSCAR B. GOODMAN); (Did Not

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Vote-None); (Excused-None)

NOTE: CHAIRMAN GOODMAN disclosed that, in an abundance of caution, he would be abstaining, because his son has an interest in property across the street from this location, and his son could derive some financial benefit from this transaction.

NOTE: MEMBER WOLFSON disclosed that, even though he owns an office building approximately two blocks from the subject location, he would be voting, because he did not feel any action on this matter would negatively or positively impact his property.

Minutes:

SCOTT ADAMS, Director of the Office of Business Development, stated that three proposals were received for this project; however, one was rejected for being non-responsive. Hence, the other two respondents were asked to combine their efforts and submit their best and final offer. Consequently, CityMark, developer of the "juhl" project, submitted a proposal which City staff recommended for approval. The Selection Committee reviewed CityMark's proposal and made the recommendation to move forward, through the Exclusive Negotiating Agreement (ENA) process, with CityMark for consideration of the Disposition and Development Agreement (DDA). The Committee indicated it would like the project be revised to possibly include a grocery store and attainable housing units. A six-month ENA was then crafted, with provisions to allow for an additional six-month extension, a \$50,000 earnest money deposit and for City staff to actively collaborate with CityMark in working out some of the issues.

MR. SCOTT noted that this project will be challenging, mainly because of redevelopment and construction costs and finding a way to bring to fruition the goals of providing a grocery store and attainable housing on such a small site. He recommended approval of the ENA.

ALEX BEATEN, CityMark Development, thanked the Agency for its support of CityMark's "juhl" project, which is on schedule and on budget. He then remarked that, in order to succeed, a downtown must have a combination of many items, including a grocery store in an urban setting and a variety of housing options for varied income levels. The subject ENA allows CityMark to collaborate with the City to design an economically feasible building to accomplish these needs. He then presented two renderings of a potential design of a building incorporating a grocery store at the corner of Las Vegas Boulevard and Clark Street, with the entrance to the residential component at the corner of Clark and Sixth Streets.

At the request of VICE CHAIR REESE, MR. BEATEN elaborated on the affordable housing component for this site. The Request for Proposal (RFP) required the inclusion of as many attainable housing units as possible. Attainable housing is defined as being between 85 and 250 percent of the average medium income of the area. CityMark's goal and challenge is to create an economically viable development that will include as many affordable housing units as possible. VICE CHAIR REESE said he is very excited about this project, because, during his tenure, four projects have been proposed but have not come to fruition. He has confidence that MR. BEATEN will work his hardest to make this project a reality.

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